

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

In re Application of : Yisreal Lefkowitz  
Application No. : 09/729,984  
Filed : December 5, 2000  
Title : METHOD AND APPARATUS FOR SELLING  
INTERNATIONAL TRAVEL TICKETS IN  
COMBINATION WITH DUTY FREE GOODS  
Examiner : Raquel Alvarez  
Art Unit : 3622

Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

**REPLY BRIEF**

In response to the Examiner's Answers dated October 1, 2009 and July 21, 2010, Appellant submits the following Reply Brief pursuant to 37 C.F.R. §41.41.

This Reply Brief is being submitted within the 2 month time period. A Request for Oral Hearing was previously filed on December 1, 2009.

In response to the Examiner's Answers dated October 1, 2009 and July 21, 2010, Appellant submits that the Examiner continues to fail to either properly reject the pending claims or provide the requisite support to maintain the refusal to pass the present claims to issuance. For reference purposes, Appellant addresses the Examiner's positions beginning on page 5, §10.

1. Official Notice of passing discounts on to customers ignores the explicitly recited claim language

Beginning on page 6, line 7 of the Examiner's Answer, Appellant submits that the taking of official notice ignores the exact language of the claims.

“With respect to passing the savings on to the customer, the Examiner had taken Official Notice [is taken] that it is old and well known for merchants and the like to negotiate an agreement with a manufacturer, host, provider of a goods and services, and to pass all or some of the savings that result from said agreement to customers.” [page 6, lines 13-16.]

Appellant submits that taking Official Notice of two parties making an agreement is irrelevant to making a proper rejection of the pending claims. Moreover, taking official notice that this agreement results in savings being passed on to customers is irrelevant. These Official Notices by the Examiner are irrelevant because claim 1 does not claim a mere transaction.

Claim 1 recites: “said merchant having arranged with the first passenger carrier for delivery of the at least one specific duty free items to said customer during the travel associated with said specific international travel ticket without the merchant being required to pay at least a portion of a concession fee otherwise charged by the first

passenger carrier to merchants for selling or delivering such duty free items.” (emphasis added).

Official Notice of two parties having an arrangement to save money, so saving can be passed on to a customer does **not** teach or suggest a concession fee charged by the first passenger carrier to merchants for selling or delivering such duty free items.

It is the exact language of the claims that garners paramount importance not only during patent prosecution, but patent enforcement. These words in the claims must be explicitly examined and accounted for in supporting a prima facie case rejecting the pending claims. Nowhere in the Office Actions and the Examiner’s Answer, does the Examiner address the explicitly claimed concession fee.

It is noted, as addressed in further detail below, that Appellant is claiming the sale of a “duty free item.” Duty free items, by their explicit nature of being duty free (i.e. tax free) have attendant conditions associated with them including being sold and delivered in specific manners that maintain the duty free status.

The act of two parties engaging in a commercial transaction fails to teach or suggest any of the recited limitations pertaining to the claimed “at least a portion of a concession fee ... to merchants for selling or delivering such duty free items.”

Appellants assert this position to the Official Notice as per the Examiner’s own statement that “The Examiner wants to point out Official Notice was taken with respect to this item ... and therefore should be argued accordingly.” (Examiner’s Answer, page 6, lines 10-11).

As noted in further detail in §§ 2 and 3 below, reliance on Air France in combination with this Official Notice is still fatally deficient because Air France does not

teach or suggest the **sale** of a duty free item. Rather, Air France merely teaches the inclusion of a voucher for application to a future sale. The actual sale of a duty free item, the sale itself, is not taught nor suggested by a voucher because just because giving someone a coupon is not selling an item. By analogy, if the Sunday paper gives you a coupon for frozen dinners, it is not suggest that the Sunday paper is selling frozen dinners, in the same manner that Air France offering a voucher for a duty free item does not teach or suggest the actual sale of the duty free item.

In conclusion, the Examiner's reliance on Official Notice overlooks the **exact** language recited in claim 1, including "said merchant having arranged with the first passenger carrier for delivery of the at least one specific duty free items to said customer during the travel associated with said specific international travel ticket without the merchant being required to pay at least a portion of a concession fee otherwise charged by the first passenger carrier to merchants for selling or delivering such duty free items." (emphasis added).

2. The Air France / Walker combination does not teach or suggest the actual sale of a duty free item

Beginning on page 7 of the Examiner's Answer, line 1, the Examiner provides further clarification regarding the parsing of the claim language and the application of these prior art references.

As understood, the Examiner, to justify the rejection of the pending claims, asserts that one skilled in the art would have obviously selected the buy-one-get-one-free concept of Walker, swapped out actual items for plane tickets and duty free vouchers and obviously generated the present invention. Appellants maintain disagreement.

“Air France was merely cited to teach duty free items.” (Examiner’s Answer, page 7, line 9). Therefore, for any actual sale, reliance is placed upon Walker’s system. But Appellants submit this combination again fails to account for the exact claim language recited herein. Claim 1 recites: “requiring said customer to select for purchase as part of a single transaction both the specific international travel ticket and at least one specific duty free item.”

Appellants strenuously note that Air France does not teach **the sale** of duty free items. Air France teaches giving to a customer **a voucher**, i.e. a coupon for subsequent purchase. The customer is not only: (1) not required to purchase a duty free item; but (2) it is not part of a single transaction.

Appellants are not attacking the references individually. But rather, Appellants illustrate again that combination of Air France and Walker teaches a completely different system. Under the combined Air France / Walker system, the customer purchases an airline ticket and then receives a voucher. Or, assuming the Examiner’s alternative interpretation that under Walker, the customer must actually purchase something, that would then entail the customer purchasing the voucher because, again, Air France does not teach or suggest purchasing a duty free item.

On page 7, lines 14-17, the Examiner states: “it would have been obvious to have included in the system of Walker to replace the items of Walker with Air France international tickets and duty free items in order to motivate purchases in the airline industry.” Appellants strenuously disagree because this is predicated on any of the prior art actually teaching the sale of duty free items. Appellants submit it is improper to point to Walker for a sale and to Air France for a duty free item because, as noted in §1 above,

the fact that the claimed transaction relates to a duty free item expressly requires the transaction be a duty free transaction. Duty free transactions have tax-required conditions, else they cease being duty free transactions. In other words, if a duty free transaction does not satisfy those duty free requirements, they then are not duty free transactions and cannot be interpreted to teach or suggest a duty free transaction. Walker teaches a commercial transaction, not a duty free transaction. Air France teaches a voucher usable for purchase in a duty free shop. But neither prior art teaches or suggests an actual duty free transaction. (see, for further discussion §3 below).

Thus, even the combination of Walker and Air France, at best, teaches where a person purchases an airline ticket and gets a voucher. That voucher then requires a second commercial transaction. This combination does not teach or suggest “requiring said customer to select for purchase as part of a single transaction both the specific international travel ticket and at least one specific duty free item.”

3. Air France does not teach or suggest the actual sale of a duty free item

Beginning on page 8, line 9, the Examiner clarifies that the present rejection is predicated upon the assumption that Air France inherently teaches the sale of a duty free item. Upon review of this article, Appellants submit this is improper.

Air France does not teach, even inherently, a duty free item. A voucher is an offer for a discount on a future sale. Just because someone has a voucher, does not mean that person will or must purchase a duty free item.

Moreover, Appellants note the full extent of Air France consistent of: “...as a ‘welcome ‘ bonus, passengers purchasing the \$428 fare will also receive ... a shopping discount voucher good in duty free shops at Paris/Charles de Gaulle Airport.” (Examiner search term notations omitted for clarity purposes only).

Using the same analogy to a Sunday newspaper with inserts, the person purchases the newspaper and gets coupons, aka vouchers. Under Air France, that person purchases an airline ticket and gets a voucher, aka coupon. For the sake of maintaining this analogy, assume the newspaper includes a coupon for a frozen dinner. It is improper to assert that selling a newspaper inherently teaches selling frozen dinner. Taking the analogy even further, assume the coupon applies to a regulated product, such as for example a prescription drug. It is well understood and recognized that duty free items are regulated items because in order to be a duty free item, the sale and delivery of the item must meet specific requirements. Selling a newspaper that includes a coupon for a prescription drug does not inherently teach selling the prescription drug because there are overreaching guidelines, such as the Food and Drug Administration requiring a prescription. In the case of Air France giving a coupon to a duty free shop with an airline transaction, this still requires additional teaching to satisfy an actual sale that qualifies as a duty free transaction, which is missing from the Air France article.

Stated simply, Air France does not even suggest the sale of duty free items, because, at a minimum, there are standards that govern such transaction. Offering a coupon for a duty free item is akin to offering a coupon for a prescription drug, the actual offering does not teach or suggest the attendant factors required to make the transaction possible. Thus, the rejections predicated Air France are improper and cannot be maintained.

4. The Air France / Walker combination fails to account for a “single transaction”

Beginning on page 8, line 15, the Examiner again parses the application of the prior art references to support the improper rejection including asserting that the prior art teaches “a single transaction.”

Claim 1 recites: “in conjunction with said offer to sell said specific international travel ticket at said discounted price, requiring said customer to select for purchase as part of a single transaction both the specific international travel ticket and at least one specific duty free item.” (emphasis added).

The Examiner’s parsing of Walker for teaching the single transaction and Air France for that transaction to include the first item being an airline ticket and the second item being a duty free item is improper. First off, there is no prior art teaching of the sale of a duty free item. Rather, Air France teaches the second item being a voucher, which is an invitation for a second transaction.

While it is agreed that Walker itself can be a single transaction, this single transaction is predicated on both the first item and the second item being purchased in the same transaction. The Examiner’s application of Air France for the first and second item necessarily negates the ability for these two items to be in the same transaction because there is nothing in Air France that teaches or suggest the actual sale of a duty free item.

In fact, Appellant submits that Air France teaches away from a single transaction. Again, referring to the actual language of Air France, “passengers purchasing the \$428 fare will also receive ... a shopping discount voucher good in duty free shops at Paris/Charles de Gaulle Airport.” Air France expressly notes 2 separate transactions, the first being the purchase of the fare and the second usable in the duty free shops at the airport. This is further evidenced by the nature of the duty free items, including requirements for the sale and delivery of goods to retain their duty free status.

Contrary to the Examiner’s interpretation, Air France and Walker cannot teach or suggest a single transaction because: (1) it is contrary to the exact teaching of Air



France; (2) Air France does not teach the second aspect of the transaction being a duty free item because a voucher is not the same as a duty free item; and (3) the requirements of a duty free sale would prohibit the single transaction nature of Walker because Air France explicitly notes the discount to be usable in the duty free shops at the airport.

5. Official Notice of two parties entering into an agreement fails to account for the exact claim language

Beginning on page 9, line 8, the Examiner answers regarding Appellants disagreement with the taking of official notice to teach or suggest parties entering in a commercial arrangement.

To clarify, the Examiner states; “the Examiner makes a general statement as to the known practice of making an agreement between two parties in order to pass on the savings reducing cost.” That being so, there still fails to account for the claimed transaction that includes “without the merchant being required to pay at least a portion of a concession fee otherwise charged by the first passenger carrier to merchants for selling or delivering such duty free items.”

There is no “concession fee otherwise charged by the first passenger carrier to merchants for selling or delivering such duty free items” in Walker. There is no sale of a duty free and thus no “concession fee otherwise charged by the first passenger carrier to merchants for selling or delivering such duty free items” in Air France. Air France’s mere mention of a voucher usable in a duty free shop cannot reasonably be interpreted to teach or suggest the claimed concession fee. As the Examiner notes on page 9, lines 8-21, reliance is not based on Official Notice. Reliance cannot be based on Walker or Air France.

Thus, there is no teaching or suggestion for the exact claimed language of “said merchant having arranged with the first passenger carrier for delivery of the at least one specific duty free item to said customer during the travel associated with said specific international travel ticket without the merchant being required to pay at least a portion of a concession fee otherwise charged by the first passenger carrier to merchants for selling or delivering such duty free items.”

6. Air France / Walker does not teach or suggest delivery of a duty free item during travel associated with said specific international travel ticket

Beginning on page 10, line 1, the Examiner answers the assertion that the Air France in combination with Walker does not teach or suggest the correlation that the duty free item is tied to the same travel ticket. As noted in sections above, the Examiner parses and misapplies the granular aspects of the prior art for supporting this rejection.

The single transaction of the Walker prior art, in combination with Air France, would generate the single transaction of an airline ticket and a voucher. A voucher is an offer to engage in a second transaction to purchase a duty free item. There is nothing in the prior art teaching the actual sale of a duty free item.

A voucher cannot be reasonably interpreted to teach or suggest an actual sale. And as a voucher is not a sale, but an invitation for a discount in a subsequent transaction, it cannot teach or suggest either the claimed single transaction or that “the at least one specific duty free item to be delivered to the customer at or near an exit point or on board the passenger carrier during the travel associated with the specific international travel ticket.”

The exact nature of a voucher is such that the customer is not required to actual use the voucher. Moreover, there is nothing in the Air France (or Walker) that

indicates that the voucher is tied to the actual travel. Moreover, there is nothing that says the person who bought the ticket must actually use the voucher, i.e. the person can give the voucher to someone else or choose not to use it.

Appellants submit the Examiner makes an improper leap in the application of the prior art, as well as a failure to account for the exact language of the pending claims. Walker merely says that a person can buy one item and get one free and Air France indicates that as a thank you gift, a person is given a voucher usable at the Paris / Charles de Gaulle airport.

Even assuming the Examiner's interpretation (a point to which Appellant does not concede), a single transaction of an airline ticket and a duty free item in Walker fails to account for the explicitly recited "requiring said customer to select for purchase as part of a single transaction both the specific international travel ticket and at least one specific duty free item selected from a group of one or more specific duty free items, the at least one specific duty free item to be delivered to the customer at or near an exit point or on board the passenger carrier during the travel associated with the specific international travel ticket." There is just no reasonable support for this within the context of the prior art. Moreover, it cannot be reasonably asserted as being inherent because there is no indication that an international traveler wouldn't be available to retrieve any purchased goods at any other time, e.g. on another flight.

Walker's teaching of a single transaction and Air France noting that a secondary aspect of an airline ticket purchase is the receipt of a coupon does not account for the exact claim language recited herein. The receipt of a voucher does not tie the voucher (and a subsequent duty free item in a second transaction) to the travel itself and

there is just no reasonably support for supporting the claimed delivery of the item on the same travel ticket.

7. Conclusion

Stated simply, Appellant submits that a thorough and exact reading of claims renders the present rejection completely improper. The combination of Air France, Walker and Official Notice does not and cannot teach or suggest the exact language recite herein.

A thorough review of the prosecution history, the pending claims and prior art renders the single conclusion that the present rejection is improper and the present claims are patentable. Appellant respectfully requests such action and passage of the present claims to allowance.

Respectfully submitted,



Dated: September 21, 2010

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